

# **USAID/Uzbekistan**

## **RESULTS REVIEW AND RESOURCE REQUEST (R4)**

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Note: This document was submitted as part of the Central Asia  
Region R4. See the Central Asia Region R4 for the entire  
document.

## **Please Note:**

The attached RESULTS INFORMATION ("R2") is from the FY 2002 Results Review and Resource Request ("R4"), and was assembled and analyzed by the country or USAID operating unit identified on this cover page.

The R4 is a "pre-decisional" USAID document and does not reflect results stemming from formal USAID review(s) of this document.

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## **Table of Contents**

### **Glossary of Acronyms**

### **Cover Memo**

### **R4 Part I: Overview and Factors Affecting Program Performance**

### **R4 Part II: Results Review**

**SO 1.3 Improved Environment for the Growth of SMEs**

**SO 2.1 Strengthened Democratic Culture**

**SO 3.2 Increased Utilization of Quality Primary Health Care**

**SO 1.6 Improved Management of Critical Natural Resources**

**SO 1.2 Increased Soundness of Tax & Budget Policies &  
Administration**

**SO 2.3 More Effective, Responsive Local Governance  
Training and Exchanges**

### **Supplemental Annexes**

**Environmental Impact**

**Updated Results Framework**

## Glossary of Acronyms

AAH	Action Against Hunger
ABA/CEELI Initiative	American Bar Association/Central and East European Law Initiative
ACDI/VOCA	Agricultural Cooperative Development International/Volunteers in Overseas Cooperative Assistance
ACS	Agency for Civil Service
ACTR/ACCELS	American Council of Teachers of Russian/American Council for Collaboration in English and Language Study
ADB	Asian Development Bank
AED	Academy for Educational Development
AIHA	American International Health Alliance
AMC	Antimonopoly Committee
ARI	Acute Respiratory Infections
BEO	Bureau Environmental Officer
CAAEF	Central Asian-American Enterprise Fund
CAEC	Central Asian Economic Community
CAR	Central Asian Republics
CAR EPI NET	Central Asian Epidemiology Network
CCO	Climate Change Office
CDC	Centers for Disease Control and Prevention
CGA	Certified General Accountants of Canada
COP-4	Fourth Conference of the Parties
DFID	Department for International Development
DHS	Demographic and Health Survey
E&E	Bureau for Europe & Eurasia
E&E/DGSR	Bureau for Europe & Eurasia/Office of Democracy and Governance
EBRD	European Bank for Reconstruction and Development
EPIC (IRG)	Environmental Policy and Institutional Strengthening (International Resources Group)
EU/TACIS	European Union/Technical Assistance to the Commonwealth of Independent States
GDP	Gross Domestic Product
GGERI	Greenhouse Gas Emission Reduction Initiative
GOK	Government of Kazakhstan/Government of Kyrgyzstan
GOT	Government of Tajikistan/Government of Turkmenistan
GOU	Government of Uzbekistan
GTZ	German Agency for Technical Cooperation (Gesellschaft für Technische Zusammenarbeit)
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immuno Deficiency Syndrome
IAS	International Accounting Standards
IBRD	International Bank for Reconstruction and Development (World Bank)

ICMA	International City/County Managers Association
ICNL	International Center for Not-for-Profit Law
ID	Infectious Diseases
IESC	International Executive Service Corps
IFAS	International Fund for Aral Sea
IFES	International Foundation for Election Systems
IFI	International Financial Institution
IMF	International Monetary Fund
IMR	Infant Mortality Rate
IATP	Internet Access and Training Program
IR	Intermediate Result
IREX	International Research & Exchange Board
ISA	International Standards of Auditing
ISAR	Initiative for Social Action and Renewal in Eurasia
IUD	Intra-Uterine Device
JI	Joint Implementation Program
JICA	Japan International Cooperation Agency
Kaz	Kazakhstan
KCLF	Kazakhstan Community Loan Fund
KNB	Committee for National Security
Kyr	Kyrgyzstan
LSL	League of Student Lawyers
MASHAV	Israel's Center for Cooperation
MCI	Mercy Corps, International
MERLIN	Medical Emergency Relief International
MOH	Ministry of Health
MSI	Media Sustainability Index
MPP	Mission Program Plan
NANSMIT	National Association of Independent Mass Media in Tajikistan
NBRK	National Bank of the Republic of Kyrgyzstan
NDI	National Democratic Institute
NGO	Non-governmental Organization
NIS	Newly Independent States
NOAA	U.S. National Oceanic & Atmospheric Administration
OSCE	Organization for Security and Cooperation in Europe
PHC	Primary Health Care
PMP	Performance Monitoring Plan
PVO	Private Volunteer Organization
R4	Results Review and Resource Request
SME	Small- and Medium-sized Enterprise
SMEDA	Small- and Medium-sized Development Agency
SO	Strategic Objective
STIs	Sexually Transmitted Infections
Taj	Tajikistan
TB	Tuberculosis
TBD	to be determined

TB DOTS	TB Directly Observed Treatment Short Course
TBESCM	Electronic Surveillance Case Management System for Tuberculosis
TCP	Trans Caspian Pipeline
TNCs	Transnational corporations
TV	Television
U. S.	United States
UN	United Nations
UNAIDS	Joint United Nations Program on HIV/AIDS
UNDP	United Nations Development Program
UNFCCC	United Nations Framework Convention on Climate Change
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Emergency Fund
UNMOT	United Nations Mission of Observers in Tajikistan
UNFPA	United Nations Fund for Population Activities
USAID/CAR	United States Agency for International Development/Central Asian Republics
USDA	United States Department of Agriculture
USEA	United States Energy Association
USTR	United States Trade Representative
WB	World Bank
WHO	World Health Organization
WHO DOTS	WHO Directly Observed Treatment Short Course
WTO	World Trade Organization

## **R4 Part I: Overview and Factors Affecting Program Performance**

### **Introduction**

Bordered by Russia, China, Afghanistan, Iran and the Caucasus, the five Central Asia Republics – Kazakhstan, Kyrgyzstan, Uzbekistan, Tajikistan and Turkmenistan – have a combined population of 55 million, a land mass greater than Western Europe, and a significant share of the world's oil and gas reserves. The U.S. Government's overarching goal in these five republics, as described in the respective Mission Performance Plans (MPP) of each of the five U.S. Embassies, is to promote stable, market-oriented growth that will enable access to its oil, gas and mineral resources, as well as political stability in the region. The U.S. also seeks to prevent the expansion of radicalism, narcotics and arms trafficking from neighboring countries, such as Iran and Afghanistan. Stable economic and political growth will enable the respective governments to address global health and environmental problems, such as the spread of HIV/AIDS and drug-resistant tuberculosis and the waste of water and energy resources.

In 2000, a new five-year Assistance Strategy for USAID in Central Asia was developed and approved. This new strategy recognizes the region's historical and geographic isolation, lack of any experience of modern statehood, halting transition toward economic and political reforms, and its deteriorating health and environmental conditions. The strategy takes a longer-term approach, which seeks to educate governments, nascent businesses and new professionals, and civil society – citizens, particularly young adults – on the benefits of reform to build commitment and pressure for change, a "constituency" for reform. It expands opportunities for citizens to participate in improving governance, livelihoods and quality of life, thereby creating ownership of reform efforts. USAID-supported activities that met with little success in the past, such as electoral reform throughout the region and fiscal reform and privatization in Turkmenistan and Uzbekistan, were eliminated.

This R4 is a transition document between an old and a new strategy. Throughout the Results Review presentation for each country we report on our degree of success towards the old strategic objectives. The Resource Request and discussion on prospects, however, relates to the new strategic objectives. The performance tables relate to the new Performance Monitoring Plan of the mission.

### **Summary of Progress in Implementing the New Strategy**

The new strategy has four primary strategic objectives which cover all five countries: 1) Improved Environment for the Growth of Small and Medium Enterprises; 2) Strengthened Democratic Culture among Citizens and Target Institutions; 3) Improved Management of Critical Natural Resources, including Energy; and 4) Increased Utilization of Primary Quality Health Care for Select Populations. Two additional objectives are for only Kazakhstan and Kyrgyzstan, due to their greater commitment to economic and political reform: 1) Increased Soundness of Tax and Budget Policies and Administration; and 2) More Effective, Responsive and Accountable Local Governance. The equally important cross-cutting objectives – anti-corruption, gender issues, conflict prevention, and information, education – as well as the Bureau's objective of sustainable partnerships are contained within these strategic objectives.

Experience in implementing activities over the past year has demonstrated the soundness of the new directions.

While the region has generally become more authoritarian and only three of the five countries are committed to economic reforms, we are seeing notable results in the new strategy. Recognizing that more responsive financial systems are needed for enterprise growth, USAID promoted a number of improvements to banks and other financial institutions. In Kazakhstan, the implementation of a deposit insurance program led to a 69% growth in total deposits in 2000 and a 17% increase in individual deposits. Equities traded on the Kazakhstan Stock Exchange increased by 350%. As a result of USAID assistance, Kyrgyzstan's government passed a decree requiring full compliance with international accounting standards, as well as another law that decreased by 65% the number of licenses required by businesses, thus, diminishing opportunities for corruption. At the local level, the financially sustainable micro-credit activities in Kazakhstan and Kyrgyzstan have reached nearly 30,000 clients, over 75% of whom are female entrepreneurs. Efforts to help Kazakhstan and Kyrgyzstan improve tax and budget policy and administration also met with success. For the year 2000, the budget deficit as a percentage of GDP for Kazakhstan was 0.7%, well below the target of 3.5%. The budget deficit as a percentage of GDP for Kyrgyzstan was 1%, well below the target of 2.5%. Although the deficit and level of external debt remain perilous, USAID's initiatives in business training and economics and business education are off to a fast start due to popular interest.

Movement toward democratic reform in the region remains halting. Lack of commitment to electoral reform, amply demonstrated by bogus elections in Kyrgyzstan and Uzbekistan, validated the decision to terminate further assistance to governments' electoral reform. Support for independent media has met with mixed results, although independent stations continue to operate. Efforts to strengthen citizen participation and information sharing through NGOs, however, are meeting with demonstrable success. NGOs are increasingly involved in advocacy on a wide range of issues. In Kazakhstan, NGOs that initiated an independent monitoring effort of parliamentary elections last year continue to operate and have organized around advocacy issues such as local government reform. A confederation of NGOs was formed with a potential role in advocating for the NGO sector as a whole. In Kyrgyzstan, a coalition of NGOs forged a countrywide election monitoring campaign that brought significant attention to flaws during the parliamentary elections. In Tajikistan, USAID grantees directly participated in drafting an NGO law. If approved, the law will be one of the most advanced legal frameworks for NGOs in the region. Even in Uzbekistan and Turkmenistan NGOs have remained viable, and are building relationships with community organizations and local government. Many of them are led by women and support programs that target women and their needs. In Turkmenistan, where NGO development has proven most difficult, citizen's organizations working on non-political community issues appear to enjoy the most success. As an example, work with community water user groups in the province of Dashoguz was expanded over the past year to 37 community water facilities, thus ensuring that 7,739 people regularly receive clean water.

We are by and large achieving good results in health. Primary health care practice (PHCP) models that improve both the quality and cost-effectiveness of health care have expanded in Kyrgyzstan, Kazakhstan and Uzbekistan. Over 50% of the population in Kyrgyzstan are now served by PHCPs. In Kazakhstan and Uzbekistan PHCP pilot programs reach smaller segments



of the population. Nevertheless, USAID's collaboration with the World Bank in Kazakhstan has led to replication of these pilots in other areas. In the recent Demographic Health Survey (DHS) in Kazakhstan, 37% of the women surveyed reported PHCPs as their main source of health care. World Bank-USAID collaboration in Uzbekistan has begun to expand primary health care models beyond the three USAID-supported rayons in the Ferghana Valley. USAID's TB control efforts have begun to produce improvements in the detection and control of this disease. In Kazakhstan, where USAID has been focusing its efforts, the mortality rate from TB has decreased by 20% between 1998 and 1999. In Kyrgyzstan, the mortality rate has stabilized (13.5 to 13.6 per 100,000 between 1998 and 1999). Nevertheless, the incidence rate for TB is still 141 per 100,000 in Kazakhstan, and 114.4 in Kyrgyzstan, compared to 6 per 100,000 in the U.S. This official data do not include TB in prisons, where male prisoners have a high incidence of the disease. Such additional statistics would increase significantly the figures. Clearly, much work remains to be done to control this global threat. We are now focusing more resources on increasing public information and education in primary health care in general, and TB and HIV/AIDS in particular.

Since this is a year of major transition for USAID's strategy in energy and environment, results are mixed. We have shifted emphasis from policy and regulatory frameworks for energy and water management to the demonstration of new policies, regulations, and practices. In past years, Turkmenistan and Kazakhstan developed regulatory frameworks for their oil and gas sectors; in 2000, work began on pilots to demonstrate the new policies. For example, a management model to reduce water loss in a district irrigation system in the Ferghana Valley (Kyrgyzstan and Uzbekistan) has been completed. Cooperative arrangements are being concluded with the oil industry and local governments for an oil field cleanup model along the shores of the Caspian Sea. A small heating efficiency pilot in Kazakhstan is under consideration. More emphasis is being placed on public involvement through public education and improved information exchange among all the countries. Energy officials and citizens groups in Kazakhstan and Kyrgyzstan are learning how to participate in public hearings and regulatory authorities have held public hearings in these countries on tariff issues.

While not a developmental "result" per se, sustainable partnerships are an important objective. Most significant have been intra-regional partnerships among NGOs through Counterpart Consortium. Partnerships are being formed between several Central Asian and international finance and business associations. ACDI/VOCA and FINCA are building savings and loan networks. A crucial partnership is membership in the WTO, to which Kyrgyzstan acceded and Kazakhstan is preparing. We are striving to integrate USEA, ABA/CEELI, NDI, and AIHA partnerships within our strategic framework and with our other partners' to build sustainability. Bilateral and regional partnerships are building between government agencies through CDC, NOAA, and Israel's MASHAV. Transparency International and Citizens' Democracy Corps promise new partnerships.

### **Factors That Have Influenced Progress**

The major factor that determines the success of USAID's activities in the region continues to be the commitment of host governments, private sectors, and citizens to reform. For example, in Kazakhstan and Kyrgyzstan, the two countries that have demonstrated the most commitment, we

have achieved positive results in finance and civil society activities. Meanwhile, in Turkmenistan and Uzbekistan, where there is very little commitment to reform, assistance has not had similar achievements. Therefore, we have limited our activities to those areas, particularly at local levels, where we can affect change.

The restriction on currency convertibility threatens planned micro-credit activities, both in Turkmenistan and Uzbekistan. As part of the new strategy, we had hoped to begin working at the local level with direct assistance to small-scale entrepreneurs. If the impact of this factor cannot be addressed satisfactorily this year, we will reconsider support to such a program.

Corruption endangers both economic and political development in Central Asia. Corruption makes these countries vulnerable to narcotics and arms trafficking, radicalism, and organized crime. USAID's new strategy seeks to promote greater transparency in all sectors. For example, more transparent drug procurement is being implemented in Kazakhstan. In Kazakhstan and Kyrgyzstan, transparency of banking operations is being promoted through work in bank supervision. In Kyrgyzstan, the state energy agency held the country's first energy utility public hearing to review new natural gas and electricity tariffs and to receive input from the public. We expect NGOs to play a greater role in this effort.

Increased poverty and limited economic options also influence progress throughout the region. This is particularly true in Kyrgyzstan, a country that has achieved notable economic reform. Unfortunately, due to nagging poverty, limited access to trade routes, and a heavy burden of external debt, the viability of the banking sector, the commitment to economic reforms, and the future of a new World Bank loan for the health sector is threatened. The possibility of a more widespread economic malaise, however, could be a threat to all countries in the region.

While poverty is a humanitarian issue in Tajikistan, security remains the primary factor. USAID's efforts have been constrained by travel limitations on USDH and contractor employees. Until recently, USAID efforts focussed on humanitarian relief, community reconciliation and political and legal process. Now that Tajikistan's new coalition government appears to be holding together and the security situation improved, we are starting a broader range of reforms across the four sectors in the new strategy for which the government expresses strong interest and commitment. However, strict limitations on travel regularly imposed by the Department of State, handicap our ability to respond.

### **Prospects for Progress through 2003**

In Kazakhstan and Kyrgyzstan, we anticipate continued progress on a broad range of reforms and plan to continue substantial support for all six strategic objectives. The effects of entrenched corruption throughout the region, Kazakhstan's relative prosperity but lack of progress on decentralization, and Kyrgyzstan's poverty, weak government and debt situation may force modifications in S.O.s and need to be reassessed continually. Prospects for progress in Tajikistan are also good, assuming the political situation remains stable and a modicum of travel is possible. The Government of Tajikistan is open to reforms and interested in replication of USAID activities from other countries. In Uzbekistan and Turkmenistan prospects are limited to local and grassroots activities. In these countries, we will focus on health – particularly disease

control, water and energy management, small enterprise, economic and business education, training exchanges and skills development, and NGO/community development. If the political will for reform develops in either of these countries, USAID will modify its activities to meet changing conditions.

As we committed in the strategy, we will increase efforts in anti-corruption, gender issues, conflict prevention and education and knowledge, especially for youth. We will support independent sources of information, such as resource centers libraries, and media, to educate on anti-corruption, economics and business, democracy, and health. Students in Kazakhstan will learn democratic principles through civic education programs.

Efforts to reduce the potential for conflict in the region will continue in improved regional water management. In the volatile Ferghana Valley, we will launch an initiative to prevent conflicts through job creation, business, health, and civil society development, and regional water management. The Atyrau Regional Initiative will be fully institutionalized.

Across the portfolio, we will link macro-level policy reforms with on-the-ground demonstrations that show that change can directly benefit individuals.

We predict that performance will continue to be somewhat uneven across sectors and that emphasis will also have to be placed on consolidating and sustaining hard-won gains, especially in the area of civil society.

## R4 Part II: Results Review By SO

**Country/Organization:** Uzbekistan - USAID/CAR

**Strategic Objective Name:** 1.3, An Improved Environment for the Growth of Small and Medium Enterprises

**Strategic Objective ID:** 121-0130

**Self Assessment:** Not meeting expectations

**Summary:**

Link to Strategic Agency Framework:	1.1 Private Markets (60%)
	3.1 Access to Education (10%)
	3.2 Higher Education & Sustainable Development (30%)
Link to MPP Goals:	Regional Stability
	Economic Development
	Open Markets
	U.S. Exports

In 2000, USAID's achievement of this strategic objective was severely limited by the Government of Uzbekistan's unwillingness to undertake economic reforms. The goal of this SO is to improve the business environment to stimulate further growth of SMEs. Due to the extremely restrictive economic environment, however, USAID is only seeking results through two intermediate results: 1) increased opportunity to acquire business information, knowledge, and skills; and 2) more responsive financial institutions, instruments and markets.

In this new SO, USAID's customer focus will be new job creation, economic growth, greater participation, and improved quality of life for the citizens of Uzbekistan. Further, by building a constituency for reform, creating employment and expanding economic opportunities, such a program can mitigate political and economic crises in some of the key parts of the region such as the Ferghana Valley.

In this first year under the new performance monitoring plan (PMP), the previous indicators will serve as the basis for this year's R4 narrative reporting. However, the baseline information in the performance data tables will be provided based on the new indicators. Under the previous indicators, we did not meet expectations.

**Key Results:**

In general, little progress was made in 2000. The chief obstacle was the GOU's lack of high-level political will to implement economic reforms. There is still a lack of currency convertibility, and the legal and regulatory environment for business remains hostile. As a result, we achieved only marginal results in this SO.

There was limited progress in banking reform in the last two quarters of 2000, though transparency remains a problem. The Central Bank failed to enforce new banking regulations consistently, particularly when dealing with problem banks. Moreover, current tax regulations continued to impede commercial banks' application of International Accounting Standards, which were mandated in 1997. During 2000, however, USAID did manage to exceed its target for the number of banks that meet all capital requirements.

Joining Kazakhstan and Kyrgyzstan, Uzbekistan developed a four-year undergraduate accounting curriculum based on the CGA (Certified General Accountants of Canada) program, which fully complies with the International Federation of Accounting Consultants. Meanwhile, 1,986 enterprise accountants and 906 tax inspectors are now trained in financial accounting as a result of USAID programs. USAID also helped 435 Uzbek enterprises convert to International Accounting Standards. The vast majority of these trainees are females who are striving to raise their level of professional expertise.

Finally, the overarching economic constraints in Uzbekistan stunted CAAEF operations. In particular, obstacles to CAAEF objectives included the lack of client access to foreign exchange, and the difficult regulatory environment for legal businesses.

In June 2000, USAID ended its trade and investment activity because the GOU's failure to adopt reforms in this area.

### **Performance and Prospects:**

As a result of the GOU's continued lack of cooperation with USAID -- and other donors, and failure to embrace macroeconomic reforms, we have significantly reduced our market transition activities in Uzbekistan in the past two years. Given the weakness of the policy environment, our resources are being redirected towards education and training.

Accordingly, USAID will undertake a broad expansion into SME training and education initiatives. The upcoming Regional Economics and Business Education activity will provide increased opportunities for access to economic and business information. Currently, economics and business education curricula in Uzbek universities have little in common with those in the West. Therefore, USAID will develop this activity to provide universities and SMEs with resource materials, training, and research opportunities. The activity will improve both the quantity and quality of business and economics education for college students and business professionals.

Our newly implemented SME training activity offers entrepreneurs basic business education courses and introductions to business associations and advocacy groups. In connection with the strategic objective, USAID plans to increase business training opportunities available to entrepreneurs and private enterprise groups.

In April 2000, the World Bank initiated a \$25 million loan for bank privatization and an improved payment system. Since its inception, USAID advisors have worked closely with this project, but no significant privatization is anticipated over the next year.

Should funding for this SO be reduced, USAID plans to scale back the magnitude of its SME training activity.

**Possible Adjustments to Plans:**

No major adjustments are anticipated.

**Other Donor Programs:**

USAID advisors were instrumental in designing and implementing the World Bank financial sector reform project. The Asian Development Bank is currently providing technical assistance to develop credit unions.

**Major Contractors and Grantees:**

The Pragma Corporation implements SME training, while the Barents Group carries out the banking supervision activity. The Academy for Educational Development (AED) coordinates participant training. CAAEF provides financing for businesses.

## Performance Data Table

Objective Name: Improved Environment for the Growth of Small and Medium Enterprises				
Objective ID: 121-0130				
Approved: 2000-06-01		Country/Organization: Uzbekistan – USAID/CAR		
Result Name: SO 1.3 Improved Environment for the Growth of Small and Medium Enterprises				
Indicator: A Business Environment Index				
Source: Independent Survey of the Improved Business Environment in Uzbekistan		Year	Planned	Actual
		(Base)2000		TBD
Unit of Measure: Percent		2001	TBD	
Indicator/Description: TBD		2002	TBD	
		2003	TBD	
		2004	TBD	
		2005	TBD	
		(Final) 2005	TBD	
Comments: This indicator was developed in response to the new mission strategy. An annual survey will serve as the basis for a business environment index that measures 1) increased opportunity to acquire business information, knowledge and skills; 2) more responsive financial institutions, instruments and markets; and 3) increased implementation of laws and regulations. The results of the first survey have been received by the SO Team, and are currently being reviewed.				

## Performance Data Table

Objective Measure: Improved Environment for the Growth of Small and Medium Enterprises			
Objective ID: 121-0130			
Approved: 2000-06-01		Country/Organization: Uzbekistan – USAID/CAR	
Result Name: IR 1.3.1 Increased access to business information, knowledge and skills			
Indicator: A business education environment index			
Source: USAID SME Training Project Matrix for Uzbekistan	Year	Planned	Actual
Unit of Measure: Percent	(Base)2000		0%
Indicator/Description: Total number of benchmarks achieved as a percent of total number of benchmarks.	2001	22%	
Comments: In May 2000, USAID/CAR adopted a new strategy and, in September 2000 launched new activities related to IR 1.3.1. The indicator for this IR is an index based on the business education matrix that outlines the steps necessary to create increased access to business information, knowledge and skills. Because this activity is new, no Actual Score exists.	2002	41%	
	2003	60%	
	2004	80%	
	2005	100%	
	(Final) 2005	100%	
The SO Team designed a matrix that consists of numerous "bricks", each representing a benchmark. At the end of the period, the SO Team reviews reports to determine how many of these benchmarks were achieved. After analysis of the data related to each brick, a score from 0-4 is assessed to each brick, based on the degree of reform. An aggregate score is then tallied for the entire chart and the achieved percentage is calculated. The yearly percentage is compared to the yearly target to determine the project’s progress.			
Working with the SO Team, a contractor performed an initial data quality assessment in August 2000 by assessing the quality of this indicator against Agency quality standards for performance indicators. It was determined that the performance indicators, and data sources for this SO are widely accepted throughout the economic sector as reliable, accurate measurement tools for financial sector reform. In addition, the high degree of information sharing and accepted standards for data sources give the SO Team a reliable, practical pool of information that leaves little room for subjective interpretation.			
Therefore, after the implementing partner collects data from host government publications available to the general public and from various IFI assessments of the financial sector, the SO Team reviews the data. The SO Team then uses independent assessments to cross-reference material provided by the implementing partner. In addition, the high degree of information sharing and accepted standards for data sources give the SO Team a reliable, practical pool of information that leaves little room for subjective interpretation.			



## Performance Data Table

Objective Name: Improved Environment for the Growth of Small and Medium Enterprises			
Objective ID: 121-0130			
Approved: 2000-06-01		Country/Organization: Uzbekistan – USAID/CAR	
Result Name: IR 1.3.2 More responsive financial institutions, instruments and markets			
Indicator: A Viable Financial Market Index			
Source: Financial Sector Matrices	Year	Planned	Actual
Unit of Measure: Percent	(Base)2000	N/A	
Indicator/Description: Total number of benchmarks achieved as a percent of total number of benchmarks.	2001	N/A	
	2002	N/A	
	2003	N/A	
	2004	N/A	
	2005	N/A	
	(Final) 2005	N/A	
<p>Comments: In May 2000, USAID/CAR adopted a new strategy. OMT has plans to implement additional activities in Uzbekistan that fall under the new 1.3.2 IR. However, given the current economic environment in Uzbekistan, USAID/CAR will not solidify these plans. As a result, there is currently no input for this particular data table.</p> <p>The SO Team designed several matrices that consists of numerous "bricks", each representing a benchmark. At the end of the period, the SO Team reviews reports to determine how many of these benchmarks were achieved. After analysis of the data related to each brick, a score from 0-4 is assessed to each brick, based on the degree of reform. An aggregate score is then tallied for the entire chart and the achieved percentage is calculated. The yearly percentage is compared to the yearly target to determine the project’s progress.</p> <p>Working with the SO Team, a contractor performed an initial data quality assessment in August 2000 by assessing the quality of this indicator against Agency quality standards for performance indicators. It was determined that the performance indicators, and data sources for this SO are widely accepted throughout the economic sector as reliable, accurate measurement tools for financial sector reform. In addition, the high degree of information sharing and accepted standards for data sources give the SO Team a reliable, practical pool of information that leaves little room for subjective interpretation.</p> <p>Therefore, after the implementing partner collects data from host government publications available to the general public and from various IFI assessments of the financial sector, the SO Team reviews the data. The SO Team then uses independent assessments to cross-reference material provided by the implementing partner. In addition, the high degree of information sharing and accepted standards for data sources give the SO Team a reliable, practical pool of information that leaves little room for subjective interpretation.</p>			

## R4 Part II: Results Review by SO

**Country/Organization:** Uzbekistan - USAID/CAR

**Strategic Objective Name:** 2.1, Strengthened Democratic Culture among Citizens and Targeted Institutions

**Strategic Objective ID:** 122-0210

**Self Assessment:** Meeting expectations

### Summary:

Link to Strategic Agency Framework:	2.1 Rule of Law/Human Rights (20%) 2.3 Politically Active Civil Society (80%)
Link to MPP Goals:	Democracy Regional Stability

The performance of this strategic objective, which takes a long-term approach to building a foundation for democracy, was generally positive. The establishment of democracy in Uzbekistan requires, first and foremost, increasing awareness of and demand for democratic change by fostering political will and commitment to reform among both citizens and governing elites. Three intermediate results are necessary for "strengthened democratic culture among citizens and targeted institutions." These results are: 1) stronger and more sustainable civic organizations; 2) increased availability of information on civic rights and domestic public issues; and 3) enhanced opportunities for citizen participation in governance. These three intermediate results serve to foster attitudinal change about what constitutes a democratic polity and how citizens and targeted institutions can together bring about democratic reforms. The immediate beneficiaries of our assistance include NGO activists, civic teachers, journalists, law students, and women and youth, more generally.

### Key Results:

Notwithstanding continuing authoritarianism and lack of reform, there is a range of positive results under this strategic objective. USAID's emphasis on social-partnerships and civil society-government dialogue is fostering growing government cooperation at the local level, allowing for NGO participation in decision-making. In Nukus, for example, a local NGO worked with a local neighborhood community to install a water-pump for the community. Due to collaborative efforts between citizens and a local NGO in Kokand, a local councilman was forced from his position because he did not officially reside in the community. Such cooperation has helped Uzbekistan's civic organizations become more involved in traditional communities, become better at negotiating with local government, as well as building constituency through proven responsiveness and reliability. Due to successful collaboration, work with neighborhood councils (mahallas) will expand to three other regions in the next year.

Assistance to more than 30 non-state television stations has improved the quality of reporting on community issues. Investigative reporting has resulted in increased accountability of local

officials. A report by a non-state TV station in the Ferghana Valley detailed the lack of gas and water in a village. The story was reported to the parliament in Tashkent and as a result this village now has both utilities. Independent investigative television journalism in Angren forced the mayor to shut down a nursery school due to high incidence of tuberculosis. Authorities in Tashkent closed two non-state TV stations (Aloka TV in Gulistan and ALC-TV in Urgench) in 1999 for highly critical reporting; the former reopened in 2000 and the latter station unsuccessfully appealed its closure to local courts.

USAID activities in judicial and legal reform have far exceeded expectations. As a result of USAID-funded training and association building, the Uzbekistan Association of Judges influenced and gained broad sponsorship for the passage of significant judicial reform legislation in 2000. The Association has also worked on modifications to the criminal justice system to make it adversarial, reducing the omnipotent power of prosecutors as well as increasing the independence of the courts from the executive branch of government.

Regional women's coalitions are emerging as a result of legal literacy workshops by local trainers through USAID's women's legal rights initiative. Women are working with government women's committee officials to increase public awareness of domestic violence and early marriage. With USAID support the government women's committee worked with women's NGOs to develop and implement the "Beijing+5 platform" for Uzbekistani women, marking the first official collaboration between women's NGOs and the national government.

### **Performance and Prospects:**

Despite setbacks in civic education and media, USAID has made significant progress in civil society development, as noted above. The number of NGOs effectively cooperating with local government increased and NGOs are emerging for the first time in rural areas. Increasing government repression, however, targeted towards opposition, religious and human rights groups, limit the scope and potential of democracy assistance to Uzbekistan. USAID's civil society activity will be increasingly focused on the regions and rural areas. Civil society support centers are anticipated to open in Urgench, Andijon, and Samarkand.

A progressive 1999 Law on Non-Commercial, Non-Governmental Organizations has yet to be fully implemented by regional ministry of justice officials. Lack of implementation caused confusion among NGOs that wish to register and often slowed the registration process. Many regional officials continue to use the old Soviet law on associations to register organizations instead of the new law. Future USAID assistance will focus on development of a new law on foundations as well as on implementation of the 1999 law. USAID will continue to work on a new Law on Associations, which, if adopted, will complement the current law and facilitate its implementation.

Limitations and censorship in the media has caused USAID to search for alternative means of information dissemination. For example, a recently established environmental public advocacy center provides information to citizens on environmental law and water quality issues. USAID-sponsored NGOs, working with a non-state TV station in Kokand, produced talk shows and public service announcements on community issues.

Due to direct pressure by the Government of Uzbekistan, a planned civic education high-school textbook for the semi-autonomous republic of Karakalpakstan did not come to fruition as planned.

USAID will work to increase men's participation in the women's legal rights program. A new program developing advocacy abilities of Uzbekistan's human rights defenders will commence this year.

**Possible Adjustments to Plans:**

USAID will develop new information activities that will include professional journalism development and public information campaigns. Assistance may be expanded to include print media, in addition to the support provided to independent television and radio.

**Other Donor Programs:**

USAID, with embassy guidance, is the major donor working in the democracy field. Programs managed by other U.S. government agencies, such as the Democracy Commission, are closely coordinated with those of USAID. The Open Society Institute, Konrad Adenauer Foundation, OSCE/ODHIR, and the UN Development Program (UNDP) also provide assistance. In addition, UNHCR is co-funding civil society support centers in conjunction with USAID-financed Counterpart Consortium.

**Major Contractors and Grantees:**

Several USAID-funded U.S. PVOs such as Internews, the American Bar Association/CEELI, and the International Foundation for Electoral Systems (IFES), are playing a role in promoting democracy in Uzbekistan. In addition, Counterpart International and the International Center for Non-for-Profit Law, which together form the Counterpart Consortium, and Winrock International promote local NGO development in Uzbekistan. The Eurasia Foundation has made small sub-grants to support independent media and NGOs. The Initiative for Social Action and Renewal in Eurasia (ISAR) assists in the development of local environmental NGOs, and the Academy for Educational Development (AED) coordinates participant training.

### Performance Data Table

Objective Name: 2.1 Strengthened democratic culture among citizens and targeted institutions			
Objective ID: 122-0210			
Approved: 2000-05-01		Country/Organization: Uzbekistan – USAID/CAR	
Result Name: Strengthened democratic culture among citizens and targeted institutions			
Indicator: Percentage of targeted population exhibiting civic consciousness and activism			
Source: Public opinion poll		Year	
Unit of Measure: Percentage		Planned	
Indicator/Description: A list of basic information questions are included in a survey to determine what percentage of targeted population exhibits increased civic consciousness and activism (as defined by percentage of citizens with civic knowledge and skills, exhibiting democratic values, and participating in political activities). Questionnaire responses are defined as positive or negative by the SO team. The mean percentage is calculated for all positive responses.		Actual	
		(Base) 2000	
		2001	
		2002	
		2003	
		2004	
Targeted population is defined as youth between 18 and 35 years old. Data is also disaggregated by gender.		(Final) 2005	
Comments:			
The result for the entire population in 2000 was 40%. The result for women was 38.7%.			

### Performance Data Table

Objective Name: 2.1 Strengthened democratic culture among citizens and target institutions				
Objective ID: 122-0210				
Approved: 2000-05-01		Country/Organization: Uzbekistan – USAID/CAR		
Result Name: IR 2.1.1 Stronger and more sustainable civic organizations				
Indicator: IR 2.1.1 Stronger and more sustainable civic organizations				
Source: NGO Sustainability Index				
Unit of Measure: Index Score		Year	Planned	Actual
Indicator/Description: The democracy roundtable uses the E&E NGO Sustainability Index to assess the sustainability of the NGO sector. Roundtables consist of crosscutting focus groups of approximately 10 participants (5 donors and 5 NGOs). A seven-point scale is used (7 is worst and 1 is best).		(Base)1999		5.3
		2000	NA*	5.43
		2001	5.37	
		2002	5.32	
		2003	5.25	
		2004	5.19	
		(Final) 2005	5.12	
Comments:				
The reported score reflects an average across seven categories – legal environment, organizational capacity, financial viability, advocacy, service provision, infrastructure, and public image. On a scale of one to seven, one is an optimal score.				
The overall NGO Sustainability Index score for Uzbekistan registered a slight deterioration from 1999 to 2000 of 0.13 points. Nested within this slight overall decline, however, was significant progress (as defined by a 0.5 or more point change in score) in the “legal environment” category. Progress in this category can at least partially be attributed to USAID-funded efforts to lobby for better enforcement of a new NGO law, and to educate government officials as to the legal rights and status of NGOs in Uzbekistan. According to the NGO Sustainability Index, however, the advocacy capacity and infrastructure of the Uzbekistani NGO sector experienced significant deterioration over the past year. While no immediate explanation suggests itself for this retrenchment, the increasingly authoritarian political environment in Uzbekistan likely accounts for difficulties in local NGOs’ ability and willingness to engage in advocacy.				
*Changes by E&E in the Index methodology from 1999 to 2000 required a reassessment of target values. Therefore, current targets are projected beginning only from 2000 onwards.				

## Performance Data Table

Objective Name: SO 2.1 Strengthened democratic culture among citizens and target institutions				
Objective ID: 115-0210				
Approved: 2000-05-01		Country/Organization: Uzbekistan – USAID/CAR		
Result Name: IR 2.1.2 Increased availability of information on civic rights and domestic public issues				
Indicator: LLR 2.1.2.2A Technical quality of local non-governmental broadcast news on targeted stations				
Source: Internews		Year	Planned	Actual
Unit of Measure: Number		(Base)1997		11.2
Indicator/Description: Number of points scored on a 20 point scale below, as evaluated by Internews, from a sample of non-governmental broadcast outlets, selected by Internews.		1998	11.2	12
		1999	12	11
		2000	14	16
		2001	14.5	
		2002	15	
		2003	15.5	
		2004	16	
Comments: USAID/CAR presents in this table data from a proxy indicator on the quality of news in Uzbekistan. In future R4s, the Mission intends to substitute this proxy indicator with the Media Sustainability Index (MSI), a tool that would evaluate several key aspects of a media system (e.g., legal protections; regulation; quality of journalism; plurality of information sources, etc.). E&E/DGSR has not yet completed the index. The completion date for the MSI is not yet known; until such time, USAID/CAR will use the LLR 2.1.2.2A indicator.		(Final) 2005	17	
Technical Quality of News				
1 use a tripod to shoot				
2 little or no zooms, panoramas; good framing, don’t show microphone in picture				
3 good sound; use microphone				
4 good limited use of stand-ups				
5 always use natural noise				
6 short integrated sound bites from at least 2 interviews				
7 make video and audio correspond				
8 don’t use same video twice				
9 variety of b-roll				
10 observe logical sequence in editing, lack of abrupt cuts				
11 short(1-3 mins) concentrated information				
12 little commntry, mostly facts; neutrality, several points of view				
13 information of piece, applicability to local events				
14 “freshness” of information				
15 logical beginning and end and sequencing of story				
16 originality in theme, shooting, editing, composition				
17 normal, accessible language; good diction				
18 make story personal				
19 news is predominantly not about official gov’t action or crime				
20 number of min of video news on air per week				
* Targets will be revised to reflect new methodology				

## R4 Part II: Results Review by SO

**Country/Organization:** Uzbekistan - USAID/CAR

**Strategic Objective Name:** 3.2, Increased Utilization of Quality Primary Health Care for Select Populations

**Strategic Objective ID:** 122-0320

**Self Assessment:** Meeting expectations

### Summary:

Link to Strategic Agency Framework:	4.2 Infant and Child Health/ Nutrition (30%)
	4.3 Child Birth Mortality Reduced (35%)
	4.5 Infectious Diseases Reduced (35%)
Link to MPP Goals:	Humanitarian Assistance
	Population
	Environment
	Health

USAID is helping to build an effective, affordable, and sustainable primary health care (PHC) system, that meets the health needs of families and prevents and treats infectious diseases (ID). Health professionals are being re-trained to provide quality health care by upgrading clinical and laboratory skills to better diagnose, treat and prevent illness, including infectious diseases, such as acute respiratory infections, tuberculosis (TB), HIV/AIDS and hepatitis. In Uzbekistan, communities are actively engaged in these health reform efforts.

In 2000, we made excellent progress in pilot sites. The government supported efforts to expand the program and we received broad and enthusiastic community involvement in health promotion activities. This SO is accomplished through four intermediate results (IRs): 1) select populations are better informed about personal health care rights and responsibilities; 2) improved quality of health care including infectious diseases and maternal and child health; 3) improved use of health care resources for primary health care; and 4) improved legislative, regulatory and policy framework. The primary beneficiaries are health professionals working in PHC and ID. The ultimate customers are users of these health services, who are predominantly women and children.

### Key Results:

Overall health reform efforts have reached targets and, in some cases, surpassed them. The government has requested expansion of these activities beyond the three experimental pilot rayons (districts) to the entire Ferghana Oblast (state) and selected activities in Navoi and SyrDarya oblasts. USAID activities involve both the community and national levels, meaning that both policy leaders and community members are actively participating in USAID programs.



With USAID support, community-based and non-governmental organizations developed innovative ways of promoting healthy lifestyles and working with PHC facilities in their districts. Health promotion and marketing projects involved people in health reform efforts and promoted taking more responsibility for their own health. A small grants program addressed health problems specific to the rural population, encouraged community-based public health interventions and strengthened the link between the community and PHC facilities. Over 9,000 people participated in community health educational sessions. Seven community-based organizations implemented clean water projects reaching almost 25,000 people.

Standing room only crowds of adolescents, women and men participated in theater events targeting the entire family on anemia, breastfeeding, sex education, HIV/AIDS, sexually transmitted infections (STIs), and family planning. Popularity of events required the project to conduct four times more productions than planned.

A successful childhood diarrhea prevention campaign increased knowledge among women on diarrhea prevention, its warning signs and treatment. A post-campaign survey showed that 21% of women would now be more likely to give liquids and 42% would be more likely to feed the child to avoid dehydration and weight loss. As one mother of a 3-year-old expressed it, “I did not have any idea about the real danger of dehydration from diarrhea. The campaign has shown me the importance of giving more liquids and food to my child. Now, I know how to prevent and cure diarrhea at home, thanks to the campaign.”

In 2000, the quality of health care was enhanced when an emergency medical training center was opened to serve the entire Ferghana Valley. Over 200 medical personnel have learned improved approaches to managing emergencies. Future courses in emergency response will reach police, construction workers, factory workers, transportation personnel and the general community. Ninety per cent of the one hundred medical professionals trained to initiate TB DOTS in 5 pilot sites passed course exams. The laboratories in those pilot districts have been upgraded and the capacity has been strengthened.

The USAID-supported reference laboratory for infectious diseases recently conducted an evaluation of 25 major laboratories of the country and developed a set of recommendations for laboratory quality improvement. Through CDC-supported training, a core group of infectious disease/epidemiology professionals titled “The Central Asian Epidemiology Network (CAR EPI NET)” was established, strengthening capacity for surveillance and outbreak investigation, as well as training of trainers’ activities.

The proportion of the health budget devoted to PHC continues to increase as more cost-effective payment systems are developed and the scope of services expands. The capitated rate has increased from 365 sums in 1999 to 667 sums in 2000. Key refinements such as sex and age adjustment coefficients have been introduced.

The success of the three experimental pilot regions has created strong support for the PHC reforms. As a result last year, the Ministry of Health called for expansion of reforms to the entire Ferghana Oblast, and pilot regions of Navoi and SyrDarya Oblasts. USAID has begun the process of introducing key government officials in Navoi and SyrDarya to rural PHC reform with a special emphasis on implementing new financing, management, and information systems.

The Ministry of Health has been very active in the implementation of the World Health Organization (WHO)-approved TB control strategy called DOTS or Directly Observed Treatment Short-course. In 2000, USAID and WHO worked with the GOU to introduce an ambitious TB DOTS program in five pilot sites. As a result, the Ministry of Health ordered the gradual adoption of TB DOTS throughout the country. The Ministry of Health is dedicated to this program, demonstrated by the Deputy Minister of Health's efforts in organizing and chairing a bimonthly TB DOTS working group among international and national implementers.

### **Performance and Prospects:**

The government's active interest and involvement in USAID programs is promising. This coupled with a strong united effort with the World Bank enhances performance and increases these prospects.

USAID intends to support an advisor through the Population-Environment Fellowship program to work with Doctors Without Borders on the health impacts of environmental disasters in Nukus, the area surrounding the Aral Sea.

The HIV/AIDS situation has become more alarming over the past year. Although the number of HIV cases is low, the trends are exponential. In 2001, with the benefit of additional funds, USAID will develop HIV/AIDS activities through a behavioral risk assessment, followed by condom social marketing, a high-level regional conference, prevention interventions with high-risk groups and much-needed information campaigns at the community level. Women will need special attention, since up to 30% of IV drug users are estimated to be women.

### **Possible Adjustments to Plans:**

Although primary health care system improvements are producing savings, it is unclear whether these savings will be reinvested to further enhance PHC. In 2000, the government fell short of targets for constructing new rural PHC facilities across the country. In addition, the year 2001 may well turn out to be the worst year so far for the Uzbek economy. With the grace periods expiring on many loans taken in the early 1990s, the burden of external debt will increase significantly. Debt pressures could prevent the government from maintaining its relatively large contribution to the health budget, thus having a negative effect on further PHC development.

### **Other Donor Programs:**

The World Bank has a large health sector loan, specifically on health sector reform. WHO is active in TB control. The Department for International Development (DFID) supports family doctor training. The United Nations Fund for Population Activities (UNFPA) procures contraceptives for the public sector. UNICEF is focusing more on children's rights and less on children's health.

### **Major Contractors and Grantees:**

Implementing partners include Abt Associates/ZdravPlus, American International Health Alliance (AIHA), the Centers for Disease Control and Prevention (CDC), Counterpart Consortium, and Project Hope.

### Performance Data Table

Objective Name: Increased Utilization of Quality Primary Health Care in Select Populations				
Objective ID: 122 –0320 Uzb SO 3.2 Health				
Approved: 2000-05-01		Country/Organization: Uzbekistan – USAID/CAR		
Result Name: This is an SO-level indicator.				
Indicator: % of sputum smear positive tuberculosis (TB) patients cured through Directly Observed Treatment Short-course (DOTS) approach in pilot sites.				
Source: Ministry of Health		Year	Planned	Actual
Unit of Measure: percent		(Base) 2000		N/A*
Indicator/Description: Cure rate (CR, %) is the number of TB patients converted from smear positive to smear negative (PC) as a result of DOTS treatment plus patients that completed treatment (CT) divided by total number of TB smear positive patients (TNP) minus number of deaths (ND). $CR = \frac{PC + CT}{TNP - ND} \times 100 \%$  DOTS is considered effective in treatment sites if at least 85% of patients are cured. (For recently established DOTS programs, it can be lower, e.g. 75%.)  Comments: * Objective comprehensive measurement of the results of DOTS implementation is only available 12-15 months after the initiation of treatment. The first TB patients in Uzbekistan treated with the DOTS approach started treatment in October 2000. Therefore their results will be available between January and March 2001.  ** Targets will be projected after baseline is determined.		2001	N/A**	
		2002	N/A**	
		2003	N/A**	
		2004	N/A**	
		(Final) 2004		

### Performance Data Table

Objective Name: Increased Utilization of Quality Primary Health Care in Select Populations				
Objective ID: 122-0320 Uzb SO 3.2 Health				
Approved: 2000-05-01		Country/Organization: Uzbekistan – USAID/CAR		
Result Name: IR 3.2.4 Improved legislative and policy framework				
Indicator: Rating of overall policy reform environment in relation to key reforms at the pilot oblast and/or national level.				
Source: Panel assessment based on information from oblast health departments, oblast health financing authorities, Agency for Health Affairs/Ministries of Health		Year	Planned	Actual
		(Base) 1999		3
		2000	3	3.6
		2001	*	
		2002	*	
		2003	*	
		2004	*	
		(Final) 2004		
Unit of Measure: Score				
Indicator/Description: A panel of USAID/CAR staff, implementers and others will conduct a policy environment review. The panel will rate overall policy reform environment by means of a 5-point Likert Scale (ranging from “no progress in a health reform area” = 1 to “sustainable reform at the national level” = 5) to score each key reform area. Key reform scores will be summed and the result divided by the number of key reform areas to produce a composite score representing the policy environment.				
The key reforms are: <ul style="list-style-type: none"><li>• Primary health care (PHC) practices decree enforced</li><li>• PHC practices enrollment system in place</li><li>• Provider payment systems and health insurance decrees established</li><li>• Provider management systems in place</li><li>• Health care facility rationalization plans formulated, including work force planning</li><li>• Clinical protocols introduced</li><li>• Family practice/infectious disease curricula implemented</li><li>• Health sector non-governmental organization (NGO) recommendations adopted.</li></ul>				
Comments: Panel verbal assessment: “Continued good progress with government proceeding cautiously”				
*This will be the last year to report on this indicator, though the panel review of the policy environment will be continued, albeit in a modified form including a changed scoring approach and an expanded panel that includes government counterparts.				

### Performance Data Table

Objective Name: Increased Utilization of Quality Primary Health Care in Select Populations			
Objective ID: 122-0320 Uzb SO3.2 Health			
Approved: 2000-05-01		Country/Organization: Uzbekistan – USAID/CAR	
Result Name: LLR 3.2.1.3 Select populations are enrolled in primary health care (PHC) practices			
Indicator: % of total combined pilot oblast (state) populations enrolled in PHC practices			
Source: Enrollment data bases from health information systems and national population statistics for pilot oblast populations	Year	Planned	Actual
	(Base) 2000		12%
	2001	*	
	2002	*	
	2003	*	
	2004	*	
	(Final) 2004		
Unit of Measure: percent			
Indicator/Description: All the people enrolled in PHC data bases in all pilot sites compared with the total oblast populations of those sites.			
Comments: The total enrolled population in PHC is 314,223 in Ferghana Oblast compared to a total pilot oblast population of 2,658,200. Expansion efforts continue within the Ferghana Oblast and are being extended to 2 additional oblasts.			
*This indicator will not be used to report results for 2001. Instead, an indicator at the strategic objective level will replace it. Baseline and targets will be established by May 2001.			
The current indicator was selected for reporting because data for the SO level indicator, developed under a strategy approved six months ago, is not yet available. Further, this indicator could reasonably be expected to contribute to the accomplishment of the SO level indicator as people must first be enrolled in newly constituted PHC practices before they can utilize the health care services provided.			

### Performance Data Table

Objective Name: Increased Utilization of Quality Primary Health Care in Select Populations			
Objective ID: 122-0320 Uzb SO3.2 Health			
Approved: 2000-05-01		Country/Organization: Uzbekistan – USAID/CAR	
Result Name: IR 3.2.3 Improved use of health care resources for primary health care (PHC)			
Indicator: % of total pilot oblast (state) population provided PHC under a capitated rate payment system			
Source: Oblast health finance authorities and national population statistics	Year	Planned	Actual
Unit of Measure: percent	(Base) 2000		11%
Indicator/Description: Capitated rate or per capita rate is a payment set by the government to provide a specific package of PHC services for each individual enrolled in a PHC practice. The measure is a composite also comprised of other elements including distribution of payment without chapters (i.e. no required line item amounts); weighting with sex and age adjusters (to account for differences in usage among different age and sex groups); and pooling of funds at the oblast level (which produces an amount of funding large enough to manage the risk of unusual or unexpected health costs among the covered population.)  This composite measure represents several elements of resource use in PHC: efficiency because per capita funding covers the enrolled person rather than paying for numbers of visits; flexibility because PHC practices can use their government-provided funds for the needs they deem most important; equity because women, children and the aged make more visits to PHC than young adults and men; effectiveness because pooling funds at a population level smaller than the oblast will be insufficient to manage unexpected or unusual health care costs.	2001	*	
	2002	*	
	2003	*	
	2004	*	
	(Final) 2004		
Comments: In Uzbekistan, an estimated 292,453 people in Ferghana Oblast are served by PHC practices covered by the composite indicator, per capita rate payment, compared with the oblast population of 2,658,200.  At present, age and sex adjusters are universally lacking, so no population is yet covered by all elements of the composite construction – per capita rate payment. As this indicator uses a composite scoring system, many more than 292,453 persons are served by PHC practices that have at least 3 of the components comprising the per capita rate payment indicator.  *This indicator will not be used to report results for FY01. Instead, an indicator from the new performance monitoring plan will replace it. Baseline and targets will be established by May 2001.			

## R4 Part II: Results Review by SO

**Country/Organization:** Uzbekistan - USAID/CAR

**Strategic Objective Name:** 1.6, Improved Management of Critical Natural Resources, including Energy

**Strategic Objective ID:** 122-0160

**Self Assessment:** Annual performance assessment unavailable

### Summary:

Link to Strategic Agency Framework: 5.4 Environmentally Sound Energy (20%)  
5.5 Natural Resource Management (80%)

Link to MPP Goals: Regional Stability  
Environment

While Uzbekistan has modest fossil fuel resources, its water resources almost totally originate in Kyrgyzstan and Tajikistan. This strategic objective calls for changing the way these natural resources are managed. This will provide the customers, the citizens of Uzbekistan, a greater voice in decisions affecting their lives and will improve the practices and policies of natural resources managers, leading to sustainable, environmentally sound economic growth.

Under its new strategy, the mission consolidated two separate energy and environmental strategic objectives into one. To see improvements in Central Asia in the management of critical natural resources, we must see improvements at the level of our intermediate results (IRs): 1) increased management capacity in natural resources; 2) improved policy and regulatory framework for natural resources management; 3) sustainable models developed for integrated natural resources management; and 4) public commitment established for natural resources management policies.

This is a new strategic objective and many activities are just beginning, therefore all indicators have baseline data for 2000. We are unable to provide an annual performance assessment.

### Key Results:

Uzbekistan receives a modest level of assistance due to the pervasive control by a massive governmental structure. Last year, however, there were several key events that contributed to our overall objective.

Resource managers of the Syr Darya River, one of the two major feeders to the Aral Sea, are now using a planning tool that USAID developed. This will help them to make decisions on the allocation and distribution of water and energy in the region. Development of this model also laid solid groundwork for interaction among the policy and technical staffs of Uzbekistan and the other Central Asian republics, key to reducing a potential area for regional conflict.

With USAID technical expertise, a water management facility on the Chirchik River, a major tributary of the Syr Darya, increased downstream river flow to the Aral Sea by 100-150 million cubic meters per year (three percent). The new automated system allows mechanized control of the gates to the irrigation canal, and accurately measures the flow of water to the canal, thus reducing water wastage. The success of this project is leading at least one other donor to consider replication of similar cost-effective water saving installations elsewhere in the region.

These water sector results are significant, as Uzbekistan is a major consumer of and a very minor contributor to regional water resources. Water savings in Uzbekistan and Uzbekistan's participation in regional agreements on water distribution and allocation both contribute to conflict resolution and prevention efforts in the region.

This year USAID helped bring Uzbekistan into the discussions on global climate change. The government presented its First National Communication on Climate Change this year, and was a major force behind a group dubbed the "Third Way." This group includes representatives of five ex-Soviet countries that are considering the possibility of taking on emissions targets indexed to economic growth.

### **Performance and Prospects:**

Building on the successes of past efforts in developing policy and regulatory frameworks in transboundary water management and in the management of energy resources, USAID has planned further training that will provide natural resources officials with a stronger basis for decision-making through better data collection systems, stronger partnerships with U.S. policy specialists and better public relations skills.

To complement this training, USAID forged a partnership between the U.S. National Oceanic and Atmospheric Administration (NOAA) and the meteorological service of Uzbekistan. Through this partnership, NOAA is building a demonstration model that will introduce new technologies and procedures for snowmelt forecasting and regional data sharing, which will help regional officials to better plan for water allocation. Because it is the largest consumer of water in the region, Uzbekistan will serve as the regional center for this activity, and will host several associated training activities.

In the Ferghana Valley, the region's breadbasket, recently high water tables put the area's fertility at risk of waterlogging. To help mitigate this problem, USAID is using a demonstration model introducing new technologies that upgrade the control mechanisms of the irrigation system already in place. USAID is also working with Israel's Center for Cooperation (MASHAV) on a bio-drainage demonstration model that presents the idea of planting carefully selected species of trees in targeted areas to help mitigate the rising water table.

The Central Asian Economic Community (CAEC) continues to be an important partner in the development of regional water agreements. Nonetheless, better cooperation with other regional water organizations, especially those in Uzbekistan, is needed. USAID is helping CAEC to build on the strengths of existing regional water and energy organizations to reach consensus amongst the four nations on further transboundary agreements.



An issue that could affect performance in the water sector is a continuing drought that may raise tensions among Central Asian nations over fewer shared water resources and thus make desired results more difficult to achieve for regional activities. The relationship Uzbekistan has with its neighbors has been especially strained over energy and water issues during drought years.

#### **Possible Adjustments to Plans:**

Although most of the activities under this SO are new, some internal assessments of ongoing activities may call for changes. This is especially true in the area of drafting regional agreements on water and energy, which have historically been difficult to achieve despite USAID and other donor assistance. The recommendations of these assessments will include suggested areas that have a greater chance of success, the level of funding needed, and which Central Asian regional organizations should play what role in the development of the agreements. The outcomes of these and other preliminary assessments will help us determine which activities we will curtail and which we will expand.

If full funding is not received, NOAA's partnership with the Uzbek meteorological/hydrological service would be jeopardized, leaving water resources managers with very little basis for objective decision-making. Also at risk would be MASHAV's bio-drainage activity that will help residents of the Ferghana Valley to better manage their rising water table.

#### **Other Donor Programs:**

The Canadian International Development Agency is providing technical training to water resource officials and managers, and the Swiss Government is taking part in our work with NOAA in the acquisition of hydrological data. This data is also being shared with UNDP and the World Bank. The mission will participate fully in the training component of the World Bank's Aral Sea Basin Program Global Environmental Facility grant.

#### **Major Contractors and Grantees:**

PA Consulting implements the Natural Resources Management Project. Israel's Center for Cooperation (MASHAV) will carry out efforts in the Ferghana Valley to mitigate water-logging problems. EPIC (IRG) has worked with transboundary water issues, and the National Oceanographic and Atmospheric Administration (NOAA) is working with modeling systems that will help with snowmelt forecasting and data sharing.

### Performance Data Table

Objective Name: 1.6 Improved Management of Critical Natural Resources, Including Energy.				
Objective ID: 122-0160 Uzb SO 1.6 Environmental Management				
Approved: 2000-05-01		Country/Organization: Uzbekistan– USAID/CAR		
Result Name: SO 1.6 Improved Management of Critical Natural Resources, Including Energy.				
Indicator: The number of demonstration models that are replicated				
Source: Tracking by USAID and contractor staff		Year	Planned	Actual
Unit of Measure: Cumulative number		(Base)2000		0
<b>Indicator/Description:</b> "Demonstration models" refers to USAID/CAR Natural Resources Management Project pilot and illustrative model projects in target subject areas. "Replicated" refers to each time a demonstration project is copied and implemented in Uzbekistan with the assistance of local partners.		2001	0	0
		2002	4	
		2003	8	
		2004	10	
		2005	13	
		(Final) 2005	13	
Comments: In Uzbekistan the replication of demonstration models will not start until we have some projects up and running which will come on line in 2002.				

### Performance Data Table

Objective Name: 1.6 Improved Management of Critical Natural Resources, Including Energy.				
Objective ID: 122-0160 Uzb SO 1.6 Environmental Management				
Approved: 2000-05-01		Country/Organization: Uzbekistan– USAID/CAR		
Result Name: IR 1.6.1 Increased management capacity in the natural resources				
Indicator: The number of new data collection systems in use as a result of USAID/CAR activities				
Source: Tracking by USAID and contractor staff		Year	Planned	Actual
Unit of Measure: Cumulative number		(Base)2000		0
Indicator/Description: “New” refers to USAID/CAR –recommended or -sponsored activities; “Data collection systems” refers to USAID/CAR –sponsored activities that install new technology to capture information related to the management of natural resources.		2001	4	
		2002	29	
		2003	31	
		2004	33	
		2005	35	
		(Final) 2005	35	
Comments: Better access to information is not a guarantee that better information will be used by natural resource managers in the decision-making process. In addition to working with host country partners on increasing the number of data collection systems. USAID/CAR will also be working with and training natural resource managers on how to use the new data that will be available.				

### Performance Data Table

Objective Name: 1.6 Improved Management of Critical Natural Resources, Including Energy.				
Objective ID: 122-0160 Uzb. SO 1.6 Environmental Management				
Approved: 2000-05-01		Country/Organization: Uzbekistan– USAID/CAR		
Result Name: IR 1.6.2 Improved policy and regulatory framework for natural resource management.				
Indicator: Number of natural resource policies within the USAID/CAR targeted reform areas that include established monitoring procedures.				
Source: Tracking by USAID and contractor staff		Year	Planned	Actual
Unit of Measure: Cumulative number		(Base)2000		0
Indicator/Description: “USAID/CAR targeted reform areas” refers to the specific topics the Mission addresses; including 1) transboundary issues; 2) market pricing and energy efficiency; and 3) waste minimization and resource conservation across all permeations of water, oil, and gas resources. “Established” refers to written procedures outlining monitoring actions.		2001	1	
		2002	1	
		2003	1	
		2004	1	
		2005	2	
		(Final) 2005	2	
Comments:				

### Performance Data Table

Objective Name: 1.6 Improved Management of Critical Natural Resources, Including Energy.				
Objective ID: 122-0160 Uzb SO 1.6 Environmental Management				
Approved: 2000-05-01		Country/Organization: Uzbekistan– USAID/CAR		
Result Name: IR 1.6.3 Sustainable models developed for integrated natural resources management				
Indicator: The of demonstration models or projects completed in cooperation with other parties.				
Source: Tracking by USAID and contractor staff		Year	Planned	Actual
Unit of Measure: Cumulative number		(Base)2000		1
<p>Indicator/Description:</p> <p>“Models or Projects” refers to USAID/CAR pilot demonstration projects in water and energy.</p> <p>“Completed” refers to the successful design and build of the demonstration project or model (or a similar variant) in a targeted area.</p> <p>“Other parties” refers to local partners associated with the replicated projects, including, but not limited to, other donors, counterparts, or private sources.</p>		2001	5	
		2002	6	
		2003	6	
		2004	6	
		2005	6	
		(Final) 2005	6	
Comments:				
This indicator is the precursor to the indicator for SO1.6. This indicator depicts those models that have been developed and have partner buy-in.				

## **R4 Part II: Results Review by SO**

**Country/Organization:** Uzbekistan – USAID/CAR

### **Training and Exchanges**

Training and exchanges are fundamental to success, participants are strategically selected to support and complement USAID's broader portfolio and objectives. Training and exchanges have enabled participants to positively influence practices in Uzbekistan by exposing them to international practices through in-country, third country and U.S.-based training.

Annually, USAID trains approximately 5,700 Uzbek citizens through various activities. Of this total, USAID trained over 1,500 decision-makers, professionals, and active citizens through the Global Training for Development Project in FY 2000. The majority of training for FY2000 directly supported three of the mission's strategic objectives: SO 1.3, an improved environment for the growth of small and medium enterprises; SO 2.1, strengthened democratic culture among citizens and target institutions; and SO 3.2, increased utilization of quality primary health care for select populations.

Over 200 USAID-trained officials from the Ministry of Finance are now helping the Government of Uzbekistan to convert to International Accounting Standards (IAS). A three-week SME development program in Israel provided methods and techniques to stimulate local entrepreneurs to invest in and manage new businesses and industries and to compete in national markets. After returning from this training a Deputy Chairman of the Business Fund Council in Uzbekistan organized an institution of financial consultants for SME support investment and business management. He has also submitted a proposal to the Cabinet of Ministers to provide entrepreneurs with easy registration and financial support.

Training on the NGO Law allowed regional representatives of the Ministry of Justice to better implement the law throughout the country. As a result of USAID funded training activities for oblast-level judges, a Committee of Women Lawyers was created in November 2000, a new edition of the law on courts was adopted, and a Law on Civil and Criminal Law came into effect on January 1, 2001. After returning from a regional Women's Bar Association conference, Ms. Sattarova was inspired to initiate a seminar on family law, domestic violence and women's rights. Her goal was to expose Uzbekistani women to their legal rights and to NGOs that provide legal assistance.

Study tours and regional conferences have enabled health officials to learn from their counterparts in the regions better ways to redesign primary health care services, implement changes, and adjust their strategies.

## **Environmental Impact Annex for FY 2003 R4**

USAID/CAR has made good progress this past fiscal year in complying with all USAID environmental regulations. It is anticipated that all of the Mission's activities will be in full compliance during the present fiscal year.

With assistance and guidance from the E&E Bureau, USAID/CAR prepared a Mission Order (074) addressing how to ensure environmental compliance of the CAR program. The Mission Order places primary responsibility for achieving environmental compliance with the Strategic Objective teams. The Bureau Environmental Officer (BEO) recently prepared a thorough training program on USAID's environmental compliance requirements and procedures, including practical manuals designed to be used by non-specialists on SO Teams. The BEO conducted an environmental compliance training course for the Mission staff in Almaty in May of 2000. Consistent with Mission Order 074, the audience for this training was the Mission Environmental Officer and leaders and project managers of SO Teams.

Following the May training program, Initial Environment Examinations were conducted for each of the new Strategic Objectives of the Mission. Most USAID/CAR activities developed under the new strategy and its component SOs fall under the classification of Categorical Exclusion. Nevertheless, there are subactivities under SO 1.6 for which further assessment will be necessary.

As of the time of this R4 submission, compliance status of each SO is as follows:

- SO 1.2-Increased soundness of tax and budget policies and administration: Fully compliant, Categorical Exclusion.
- SO 1.3-Improved environment for the growth of small and medium enterprises: Fully compliant, Negative Determination.
- SO 1.6-Improved management of critical natural resources, including energy: In process for a categorical exclusion and negative determination with assessments.
- SO 2.1-Strengthened democratic culture among citizens and target institutions: In process for a categorical exclusion.
- SO 2.3-More effective, responsive and accountable local government: In process for a categorical exclusion.
- SO 3.2-Increased access to quality primary health care for select populations: In process for a categorical exclusion.

USAID/CAR also conducted a region-wide biodiversity assessment beginning in late March of 2000. This assessment fulfilled the Mission's obligation to ensure that its "development strategy statement or other country plan...shall include an analysis of: (1) the actions necessary in that country to conserve biological diversity, and (2) the extent to which the actions proposed for support by the Agency meet the need thus identified (FAA, Sec. 119(d))." The assessment report is being reviewed by USAID/W in the E&E Bureau and is in the final stages of editing. Once completed, the Mission will also be fully compliant in this USAID environmental regulation.

## **Information Annex Topic: Updated Results Framework Annex**

### **Part I.**

#### **SO 1.2 Increased soundness of tax and budget policies and administration**

- IR1.2.1 Improved Tax Code and implementation of the Code
- IR1.2.2 Improved budget development and execution
- IR1.2.3 Improved inter-governmental finance

#### **SO 1.3 Improved environment for the growth of small-medium enterprises**

- IR 1.3.1 Increased opportunities to acquire business information, knowledge, and skills
- IR 1.3.2 Responsive financial institutions, instruments, and markets
- IR 1.3.3 Increased implementation of regulations and laws

#### **SO 1.6 Improved management of critical natural resources, including energy**

- IR 1.6.1 Increased management capacity in natural resource sector
- IR 1.6.2 Improved policy and regulatory framework
- IR 1.6.3 Sustainable models developed for integrated natural resource management
- IR 1.6.4 Public commitment established for natural resource management policies

#### **SO 2.1 Strengthened democratic culture among citizens and target institutions**

- IR 2.1.1 Stronger and more sustainable civic organizations
- IR 2.1.2 Increased availability of information on civic rights & domestic public issues
- IR 2.1.3 Enhanced opportunities for citizen participation in governance

#### **SO 2.3 More effective, responsive and accountable local governance**

- IR 2.3.1 Introduction of democratic practices
- IR 2.3.2 Increased local government capacity
- IR 2.3.3 Increased local government authority

#### **SO 3.2 Increased utilization of quality primary health care for select populations**

- IR 3.2.1 Select populations better informed
- IR 3.2.2 Improved quality of care including infectious disease and maternal and child health
- IR 3.2.3 Improved use of resources
- IR 3.2.4 Improve legislation & policy framework